

# LOUP POWER DISTRICT

## Board Summary

May 21, 2008

### Loup River Water Issues —

Loup River Water Issues were reviewed. The DNR (Department of Natural Resources) has agreed to administer the District's water rights on the Loup River and they will work with the District in collecting data from irrigators this year so the District will be able to independently collect the data in the coming years. The District is taking as much water as possible and will continue to do so. The Republican River in southern Nebraska and northern Kansas continues to be at the forefront on water issues.

### Relicensing Meetings —

A relicensing meeting with governmental agencies was held on May 7<sup>th</sup> with 11 groups represented. There will be two open house meetings at the VFW in Columbus on June 10<sup>th</sup> 2-4 and 6-8. There will also be an open house meeting at the Genoa Senior Center from 6-8 on June 11<sup>th</sup>. These open houses will be for the public to attend. District management and HDR are working on a follow-up agency meeting where issues related to the hydro project can be brought forward. The timing of this meeting is being worked on.

### ADM —

ADM's facility expansion commercial startup has been delayed. ADM is expected to begin startup in the third quarter of 2009 with the cogeneration startup expected in the fourth quarter of 2009. The District is still on schedule with the facilities to be completed in the third quarter of 2008.

### Proforma Summary —

An updated financial proforma summary was presented. A number of large projects are included in the updated proforma, each over one million dollars. Several cases were analyzed depending upon decisions by ADM. ADM construction delays are incorporated into the updated cases. Based upon the results of the proforma, the District is in good financial shape. The District should be able to maintain retail rate increases below the percentage increase in purchased power costs from NPPD. The proformas do not indicate a need for additional debt. The Board asked staff to prepare an analysis of past proformas to actual results.

### NPA White Paper —

An NPA (Nebraska Power Association) white paper on Energy Principles for Nebraska Electric Utilities was discussed. This white paper was prepared by NPA for Governor Heineman.

### Parks —

The upkeep of the parks was discussed. A troop of boy scouts had cleaned up the Tailrace Park hauling out a lot of trash that had been littered. The seven day limit for campers was also discussed.

### Cedar Rapids School Wind Project —

The Cedar Rapids School is working through a process to become a selected site for the National Renewable Energy Laboratories Wind for Schools project. NPPD has approved funding for each of the five schools in Nebraska that are being reviewed. NPPD hopes to have the local public power district fund a similar \$1,500 match for the schools located in those specific districts' service territory. The Board approved the District providing the \$1,500 funds to the Cedar Rapids School for this project.

### APPA —

The APPA annual meeting will be in New Orleans June 21-25, 2008. Directors Cerv, Gonka, Kracl, Sand and Thieman will be attending along with President/CEO Neal Sues.

### District's 75th Anniversary —

The activities planned to celebrate the District's 75<sup>th</sup> anniversary during the year were reviewed. The festivities will begin June 1<sup>st</sup> with a torch run along the canal by District employees and will end at the Columbus Powerhouse with an assortment of celebratory things happening. Activities will take place throughout the year.

### GASB No. 45 —

The Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions*, was discussed. In order for the District to perform the proper calculations of accounting for the GASB No. 45 requirement, actuarial and consulting services will be needed. These services would include preparing an actuarial valuation for the year 2008 following the GASB No. 45 standard for the retiree health, prescription drug and life insurance plans, etc. It was approved for the Silverstone Group from Omaha, Nebraska to perform these services on a not-to-exceed fee basis of \$8,500.

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The following work orders were approved.

**W.O. No.            Description**

**PO**

**40316 Responsibility Area 923 Budget Code 2292 Item No. 11**

This purchase order provides for the purchase of one S-785-T Spider Trailer with rewind for stringing conductors in the four county area.

Purchase Order Charged to Budget    \$27,900

**01996 Responsibility Area 923 Budget Code 1492 Item No. 3**

This work will consist of converting an existing single phase distribution line to 3-phase and building a 3-phase transformer mounting on a new pole. This work is being done to provide service to a new 60 HP irrigation well for Krohn Farms located on the west edge of Albion.